

# Senate Study Bill 1006

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED TREASURER  
OF STATE BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the disposition of unclaimed property  
2 concerning minerals.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 1216XD 82  
5 av/sh/8

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1 1 Section 1. Section 556.1, Code 2007, is amended by adding  
1 2 the following new subsections:  
1 3 NEW SUBSECTION. 6A. "Mineral" means gas, oil, and coal;  
1 4 other gaseous, liquid, and solid hydrocarbons; oil shale;  
1 5 cement material; sand and gravel; road material; building  
1 6 stone; chemical raw material; gemstone; fissionable and  
1 7 nonfissionable ores; colloidal and other clays; steam and  
1 8 other geothermal resources; and any other substance defined as  
1 9 a mineral by a law of this state.  
1 10 NEW SUBSECTION. 6B. "Mineral proceeds" means amounts  
1 11 payable for the extraction, production, or sale of minerals,  
1 12 or upon the abandonment of those payments, all payments that  
1 13 become payable thereafter. "Mineral proceeds" includes  
1 14 amounts payable as follows:  
1 15 a. For the acquisition and retention of a mineral lease,  
1 16 including bonuses, royalties, compensatory royalties, shut-in  
1 17 royalties, minimum royalties, and delay rentals.  
1 18 b. For the extraction, production, or sale of minerals,  
1 19 including net revenue interests, royalties, overriding  
1 20 royalties, extraction payments, and production payments.  
1 21 c. Under an agreement or option, including a joint  
1 22 operating agreement, unit agreement, pooling agreement, and  
1 23 farm-out agreement, relating to the extraction, production, or  
1 24 sale of minerals.

### EXPLANATION

1 25 This bill adds definitions of "mineral" and "mineral  
1 26 proceeds" to Code chapter 556 which is concerned with the  
1 27 disposition of unclaimed property.  
1 28 Currently, Code section 556.1 defines property which is  
1 29 subject to the provisions of the chapter to include mineral  
1 30 proceeds (Code section 556.1, subsection 10, paragraph "b"),  
1 31 and amounts distributable from a mineral interest in land  
1 32 (Code section 556.1, subsection 10, paragraph "h") although  
1 33 these terms are not currently defined.  
1 34 LSB 1216XD 82  
1 35 av:rj/sh/8  
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